

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

QUINSTREET, INC.,)	
)	
Plaintiff/Counterclaim Defendant,)	
)	
v.)	
)	
PARALLEL NETWORKS, LLC,)	
)	C.A. No. 06-495-SLR
Defendant/Counterclaim Plaintiff.)	
<hr style="width: 50%; margin-left: 0;"/>		
QUINSTREET, INC.,)	
)	
Third-Party Plaintiff,)	
)	
v.)	
)	
MICROSOFT, CORPORATION,)	
)	
Third-Party Defendant.)	

**PARALLEL NETWORKS, LLC’S MOTION TO DISMISS, FOR LACK OF SUBJECT-
MATTER JURISDICTION, MICROSOFT CORPORATION’S DECLARATORY
JUDGMENT ACTION AGAINST IT, OR IN THE ALTERNATIVE, TO SEVER THAT
ACTION AND TRANSFER IT TO THE EASTERN DISTRICT OF TEXAS**

Pursuant to Federal Rule of Civil Procedure 12(b)(1) and 12(h)(3), Parallel Networks, LLC (“Parallel Networks”) moves to dismiss, for lack of subject-matter jurisdiction, the Complaint for Declaratory Judgment of Microsoft Corporation (“Microsoft”) (D.I. 133).¹ In the alternative, Parallel Networks moves that the Court sever the Microsoft declaratory judgment action and, pursuant to 28 U.S.C. § 1404(a), transfer that action to the Eastern District of Texas.²

¹ A reasonable effort was made to reach agreement with opposing counsel on the matters set forth in this motion. Microsoft will oppose this motion.

² This Court denied Parallel Networks’ Motion to Dismiss Microsoft’s Complaint for lack of jurisdiction over the person on May 29, 2009. (D.I. 164) Parallel Networks makes this motion subject to, and without waiving, its challenge to personal jurisdiction.

Parallel Networks is filing with this Motion to Dismiss a Brief in Support and two supporting Declarations, of Terry Fokas and Ryan Bangert.

As explained more fully in the accompanying Brief in Support, dismissal is proper because there was no “real and substantial” or “definite and concrete” dispute between Microsoft and Parallel Networks concerning Microsoft’s IIS product at the time Microsoft filed its declaratory judgment action. It is undisputed that at no time prior to the filing of Microsoft’s declaratory judgment action did Parallel Networks accuse IIS alone of infringement. Moreover, Parallel Networks’ recent suit against Microsoft in the Eastern District of Texas is irrelevant to whether a sufficient case and controversy existed at the time Microsoft filed its prior declaratory judgment action.

Even if subject matter jurisdiction were proper, this case should be transferred to the Eastern District of Texas pursuant to 28 U.S.C. § 1404(a). Microsoft has numerous and significant ties to the State of Texas, including multiple offices there and substantial past and ongoing litigation. In addition, Parallel Networks is a regional Texas enterprise organized under Texas law. Parallel Networks’ sole office and all of its assets and employees are located in Texas. Parallel Networks has never done business in Delaware nor does it have any property, office space, telephone numbers, employees, or bank accounts in Delaware.

WHEREFORE, Parallel Networks respectfully requests that this Court grant its motion to dismiss for lack of subject matter jurisdiction or, in the alternative, grant its motion to sever the Microsoft declaratory judgment action and transfer it to the Eastern District of Texas pursuant to 28 U.S.C. § 1404(a).

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Dated: June 30, 2009
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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

CERTIFICATE OF SERVICE

I, David E. Moore, hereby certify that on June 30, 2009, the attached document was electronically filed with the Clerk of the Court using CM/ECF which will send notification to the registered attorney(s) of record that the document has been filed and is available for viewing and downloading.

I further certify that on June 30, 2009, the attached document was Electronically Mailed to the following person(s):

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